

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



**CORRECTED
FISCAL NOTE**

HB 3331 - SB 3601

February 9, 2010

SUMMARY OF BILL: Changes the FY10-11 payment made from the Tennessee Biodiesel Manufacturers' Fund (TBMF) to Tennessee biodiesel manufacturers from an unspecified amount, currently determined by the Commissioner of Economic and Community Development, to \$0.40 per gallon of biodiesel manufactured from virgin bean oil feedstock.

ESTIMATED FISCAL IMPACT:

On February 8, 2010, a fiscal note was issued for this bill indicating an *increase to state expenditures up to \$191,100 for FY10-11 from the Tennessee Biodiesel Manufacturers' Fund*. Based on new information, the fiscal impact for the bill is estimated as follows:

(CORRECTED)

Increase State Expenditures –

Up to \$199,100/FY10-11/Tennessee Biodiesel Manufacturers' Fund

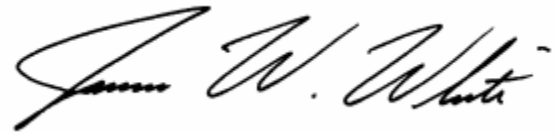
Assumptions:

- According to the Department of Economic and Community Development, the TBMF had a balance of \$199,121.48 as of February 5, 2010. This would allow for grants to be paid to biodiesel manufacturers producing up to 497,804 gallons of biodiesel ($\$199,121.48 / \$0.40 = 497,804$) manufactured from virgin bean oil feedstock.
- The fiscal impact of this bill is dependent upon several unknown factors such as the extent of grants that would have been awarded by the Commissioner of ECD under current law, the number of biodiesel manufacturers utilizing virgin bean oil feedstock technology to produce biodiesel, and the number of gallons of biodiesel manufactured from virgin bean oil feedstock.

- Given the extent of unknown variables, the increase to state expenditures is estimated as an unknown amount up to a maximum of \$199,100 for FY10-11.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large initial "J" and a distinct "W".

James W. White, Executive Director

/rnc